CHAPTER 2
REVIEW OF LITERATURE

2.1 INTRODUCTION

The following sections provides a review of the literature pertaining to organizational citizenship behavior, turnover intentions, overall job satisfaction, organizational commitment and HR practices, the hypothesized associations among them and the moderating effects of employee outcomes on the HR practices and turnover intentions relationship.

2.2 ORGANIZATIONAL CITIZENSHIP BEHAVIORS (OCB)

Organizational Citizenship Behavior (OCB) was introduced by Smith, Organ and Near (1983), which defined OCB as discretionary individual behavior, not directly or explicitly recognized by the formal reward system, which, in the aggregate, promotes the effective functioning of the organization. This concept is similar to Katz and Kahn’s (1978) description of extra-role behaviors and Barbuto’s (2000) influence resistance zone behaviors. OCB is defined as an employee’s willingness to go above and beyond the prescribed roles which he/she
has been assigned (Organ, 1990). These extra-role behaviors are considered to support the maintenance and enhancement of the social and psychological context which supports task performance in the organization (Organ, 1997). At the same time, such discretionary behaviors are not explicitly recognized by a formal rewards system, and their contribution to organizational success is based on resource transformations, innovativeness and adaptability (Organ, 1988). Shore, Barkdale, and Shore (1995) and Chen, Hui, and Sego (1998) argue that a high level of OCB reflects employees’ true willingness to be involved in the organization. Conversely, a lack of willingness to exhibit citizenship behaviors may be a clear indication of employee withdrawal from the organization. Also one way for an individual to repay the organization is through extra-role or citizenship behaviors (Schnake, 1991; Kidwell, Mossholder & Bennett, 1997).

The search for other reliable predictors of organizational citizenship behaviors has been increasing during recent years, during which time researchers have used, with varying degrees of predictive merit (Organ, 1990; Organ, 1994; Organ & Lingl, 1995; Penner et al., 1997; Moorman, 1993; Aquino, 1995; Skarlicki & Latham, 1996; Farh, Earley & Lin, 1997; Schappe, 1998; Deluga, 1994; 1995; Podsakoff,
Mackenzie & Bommer, 1996; Kemery, Bedeian & Zacur, 1996; Tang & Ibrahim, 1998; Latham & Skarlicki, 1995). Most of these studies provided more questions than answers, with low correlations and little variance accounted for in the data.

Research of organizational citizenship behaviors has been extensive since its introduction close to twenty years ago (Bateman & Organ, 1983). The vast majority of organizational citizenship behavior (OCB) research since has focused on the effects of OCBs on individual and organizational performance. There is a consensus in the field that organizational citizenship behaviors are salient behaviors for organizational enterprises. However, the antecedents of organizational citizenship behaviors are not well established. Organ (1997) called for a greater attention in research foci on the predictors of OCBs.

The present study, considered a prominent form of citizenship behavior, namely helping behaviors (Podsakoff et al., 2000). Helping behavior involves voluntarily helping others with, or preventing the occurrence of, work-related problems. The first part of this definition (helping others with work-related problems) includes Organ’s altruism, peacemaking and cheerleading dimensions (Organ, 1988, 1990); Graham’s interpersonal helping (Graham, 1987); Williams and
Anderson’s (1991) OCB-individual (OCB-I); and the helping others constructs from George and Brief (1992) and George and Jones (1997). The second part of the definition captures Organ’s (1988, 1990) notion of courtesy, which involves helping others by taking steps to prevent the creation of problems for coworkers. Empirical research has generally confirmed that all of these forms of helping behavior load on a single factor (MacKenzie, Podsakoff & Fetter, 1993; Podsakoff & MacKenzie, 1994; Podsakoff, Ahearne & MacKenzie, 1997).

2.3 TURNOVER INTENTIONS

Turnover intentions measure an individual’s thoughts about leaving the organization. According to the classic turnover model, these thoughts are a function of the perceived desirability of leaving and the perceived ease of movement from the organization (March & Simon, 1958). Individual factors, work-related factors, and economic conditions determine whether an individual will turnover (Lum, Kervin, Clark, Reid & Sirola, 1998). Many turnover researches are based on dimensions of pay satisfaction which empirically states that there is a negative influence on turnover intentions (Miceli et al., 1991; Motowildo, 1983).
Turnover intentions are much more directly under the control of the individual (Shore & Martin, 1989). Many studies (Cotton & Tuttle, 1986; Gerhart, 1990; Hom & Griffeth, 1995; Michaels & Spector, 1982; Steel & Ovalle, 1984; Stroh et al., 1996) have shown that turnover intentions are significantly related to actual turnover, but they are not perfectly related. Numerous extraneous factors (e.g. availability of alternative jobs) often interfere with the person’s ability to translate intentions into behavior. Focusing on turnover intentions avoids this complication, by suggesting how individuals might act in an unconstrained environment. In organization’s point of view, such intentions serve not only as imperfect predictors of actual turnover, but also as leading indicators of hidden but significant human resource issues.

The turnover process has been found to be both a cognitive and behavioral phenomenon (Mobley, Horner & Hollingsworth, 1978; Hulin, 1991). In the turnover process, a dissatisfied employee contemplates leaving the job (cognitive) and takes the necessary steps to do so (behavioral). The final decision to leave an organization may hinge upon whether or not the employee looks for and finds an acceptable alternative to the present job (Hom, Griffeth & Sellaro,
Low unemployment rates that make it difficult to find suitable alternatives is what has led some turnover theorists to reason that dissatisfied employees may subdue thoughts of finding another job and quitting their current one (Hulin, Roznowski & Hachiya, 1985). But the ICT industry offers an unlimited opportunity and there is vast opportunity of finding alternative jobs as there is an exponential growth in size of the industry in India and Canada. So employee retention is a major challenge in this industry. The suitable definition for turnover intentions among the ICT professionals is a challenging one as there seems to be too many complex factors in addition to job satisfaction.

2.4 OVERALL JOB SATISFACTION

Job satisfaction has been regarded as a function of the perceived relationship between what one expects and obtains from one's job and how much importance or value he or she attributes to it (Mobley & Locke, 1970; Locke, 1976; Kemelgor, 1982). However, a number of studies suggest that job facets satisfaction scores weighted by importance are no better an indicator of overall job satisfaction than are unweighted job facets (Ewen, 1967; Mikes & Hulin, 1968; Wanous & Lawler, 1972). Considering these inconclusive findings, Landy and
Trumbo (1980) have stressed the need for further data from a wide variety of settings before the generality of the findings concerning the influence of perceived importance of job facets on overall job satisfaction can be accepted. The present study included the overall job satisfaction measure.

Conceptually, overall job satisfaction has been viewed as an individual’s evaluative reaction to a job that is determined by combining evaluative reactions to specific facets of the job. This definition of job satisfaction is inherent in the writings of Locke (1969; 1976), Wanous and Lawler (1972), Evans (1969), Ewen (1967), and Quinn and Mangione (1973). Locke (1969) states, “Overall job satisfaction is the sum of the evaluations of the discriminable elements of which the job is composed.”

2.5 OCB AND TURNOVER INTENTIONS

Empirical studies have explored the relationship between OCB, quit intentions and actual turnover. For instance, Chen et al. (1998) and MacKenzie, Podsakoff & Ahearne (1998) found a negative link between OCB and quit intentions while an even stronger negative association between OCB and actual turnover was reported in both studies. The key
argument that affirms this negative link is that extra-role behaviors, through helping others and courtesy, enhance group attractiveness, cohesiveness and support and subsequently decrease voluntary turnover (George & Bettenhausen, 1990; MacKenzie et al., 1998). Accordingly, ICT professionals who help coworkers and their immediate superiors are likely to develop close relationships with them, receive reciprocal support from them and consequently remain with the organization voluntarily. A longitudinal study conducted by Koys (2001) reveals the existence of a negative but non-significant relationship between OCB and actual turnover. Based on these facts, the researcher posits that:

*Hypothesis 1: OCB correlate negatively with turnover intentions.*

### 2.6 OCB AND OVERALL JOB SATISFACTION

Smith, et al. (1983) and Bateman and Organ (1983) conducted the first research on the antecedents of OCB, finding job satisfaction to be the best predictor. After many years of research, job satisfaction is still the leading predictor of OCB (Organ & Ryan, 1995). This is problematic because, descriptively, job satisfaction is in and of itself a challenging outcome sought by organizations. The resulting
implications are restricted to suffice that OCB is likely when workers are satisfied. There are just as many questions regarding the antecedents of job satisfaction as there are questions about the antecedents of organizational citizenship behaviors. Many scholars believe job satisfaction is too broad a construct for the accurate prediction of OCB (Deluga, 1994; 1995; Penner, Midili & Kegelmeyer, 1997) and that is one of the reasons to choose a overall job satisfaction measure instead of multi-faceted job satisfaction measure. Based on these facts, the researcher posits that:

**Hypothesis 2: OCB correlate positively with overall job satisfaction.**

**2.7 ORGANIZATIONAL COMMITMENT**

Organizational commitment (OC) has been found to be distinguishable from other commitment constructs, such as occupational commitment (Meyer, Allen, & Smith, 1993), job satisfaction, job involvement, career salience, turnover intention, work group attachment, and the Protestant Work Ethic (Meyer & Allen, 1997). In addition, organizational commitment has been shown to uniquely
contribute to the prediction of certain outcome variables, such as turnover and OCB (Meyer et al., 1993; Tett & Meyer, 1993).

Traditionally, commitment research has focused on commitment to the organization as a whole (Mowday, Steers & Porter, 1979), and emphasized the relationship between the affective component of commitment and turnover. Affective commitment is one of the three components of Meyer and Allen’s (1991) multidimensional model of commitment. This form of commitment concerns an employee’s “emotional attachment to, identification with, and involvement in, the organization”. Employees with high affective commitment remain with an organization because they want to.

The second component of commitment, continuance commitment, is based on the costs that employees associate with leaving the organization. Continuance commitment is rooted in “Side Bets” theory (Becker, 1960), which proposes that employees accrue certain benefits (e.g., bonuses, pensions, status) by working for an organization over a period of time. If these employees decide to leave, such “side bets” will be forfeited. Thus, employees who maintain strong continuance commitment continue to work for an organization because they feel they need to (Meyer & Allen, 1991).
The last component of commitment, normative commitment, focuses on an employee’s feelings of obligation to remain in an organization. Employees with high normative commitment believe that they ought to continue working for their organization because it is the “right and moral” thing to do (Meyer & Allen, 1991; Meyer & Allen, 1997; Meyer, Stanley, Herscovitch, & Topolnytsky 2002; Wiener, 1982).

In recent years, the concept of organizational commitment has been studied in relationship to both outcomes of commitment, such as retention, job performance, turnover and other job related constructs, as well as possible antecedents to commitment (DeLoria, 2001; Meyer & Allen, 1997; Meyer, Stanley, Herscovitch & Topolnytsky, 2001; Price & Mueller, 1986).

2.8 ORGANIZATIONAL COMMITMENT AND OCB

Organizational commitment has long been considered a key predictor of OCB (Meyer, Stanly, Herscovitch & Topolnytsky, 2002). Employees those who are committed to the organization will be willing to give something of them in order to contribute to the organization’s well-being (Mowday, Porter & Steers, 1982). Most of the empirical
evidences relates to affective commitment and OCB (Meyer et al., 1993; Pearce, 1993; Gregersen 1993; Shore & Wayne, 1993; Moorman et al., 1993). Furthermore, in an OCB meta-analysis, Organ and Ryan (1995) found significant average correlations across their entire sample between affective commitment and OCB.

Furthermore, employees who are highly committed to their organization often perceive their work roles more extensively, and such an enlargement of role definition tends to increase employees’ motivation to exhibit OCB behaviors (Lee, 2001; Morrison, 1994; Tepper & Taylor, 2003). In accordance with this view, previous studies show that affective commitment is positively related to extra-role behaviors while continuance commitment is either negatively or not significantly associated with OCB (Allen & Smith, 1987; Meyer & Allen, 1991; Mayer & Schoorman, 1992; Chen et al., 1998; Meyer et al., 1998; Lee, 2001; Riketta, 2002; Meyer et al., 2002). A plausible explanation for these findings is that employees that exhibit a high level of continuance commitment are more likely to develop a transactional relationship (as opposed to a relational relationship) with their employer. Indeed, according to the psychological contract theory (Rousseau, 1995), employees who perceive their relation with their
employer as primarily instrumental are more likely to restrict their professional obligations to those activities they are paid for (i.e. intra-role behaviors). In contrast, a relational contract encompasses a higher level of affectivity that predisposes workers to adopt a much broader view of their relationship with their employer and thus encourages extra-role behaviors.

Limited prior research has addressed the relationship between normative commitment and OCB. Meyer et al. (1993) found that normative commitment, like affective commitment, was positively related to OCB, although the relationship was not as strong as for affective commitment. Evidence linking continuance commitment and OCB is mixed. Meyer et al. (1993) and Bolon (1997) both found no evidence of a relationship between continuance commitment and OCB, whereas Shore and Wayne (1993) found a significant negative relationship. On the other hand, Moorman et al. (1993) found significant positive correlations between continuance commitment and some, but not all, measures of OCB employed in their study. Organ and Ryan (1995) found that the average correlation between continuance commitment and OCB in their meta-analysis was not significant. As there is limited literature on the OCB-organizational commitment
relationship in the ICT sector, the researcher has decided to include all the dimensions of commitment in this study. Consequently, the researcher posits that:

**Hypothesis 3: OCB correlate**

- **a. positively with affective commitment**
- **b. positively with continuance commitment**
- **c. positively with normative commitment**
- **d. positively with organizational commitment**

### 2.9 ORGANIZATIONAL COMMITMENT AND TURNOVER INTENTIONS

Several studies emphasized the predominant role of organizational commitment in the turnover process among highly skilled professionals (Igbaria & Greenhaus, 1992; Igbaria & Guimaraes, 1999) and several conceptualizations for this construct have been advanced (Meyer & Herscovitch, 2001).

Compelling empirical evidence demonstrates a relationship between low organizational commitment and high turnover. Steers (1977) found that the organizational commitment was negatively related
to turnover suggesting that employees who were not committed to the organization were very likely to leave in search of other employment. Similar relationships have been found (Hom, Katerburg & Hulin, 1979; Ostroff, 1992; Abelson, 1987; Rusbult & Farrell, 1983; James & Hendry, 1991).

Before Porter et al’s (1974) study, scholars focused on job satisfaction as the major cause of turnover. However, Porter et al’s study highlighted the importance of organizational commitment in explaining turnover. In their study, they demonstrated that organizational commitment was a better predictor of turnover than job satisfaction. Since then organizational commitment has been frequently explored in the turnover literature, and like job satisfaction, has been shown to be negatively related to turnover (Wong, Chun & Law, 1996; Arnold & Feldman, 1982; Bluedorn, 1982; Porter et. al, 1974).

It seems that organizational commitment is an important determinant of the turnover decision, despite the myriad of other factors, such as the availability of alternative employment (Lee, 1988; Meyer, Allen, & Gellatly, 1990) and family concerns (Marsden, Kalleberg, & Cook, 1993), which also affect such a decision. Interestingly in one
study of employees from a manufacturing plant, Randall et al. (1990) found that organizational commitment was not related to turnover.

Affective commitment - or emotional attachment, identification and involvement with the organization - plays a central role in the turnover literature. Two recent meta-analyses conducted by Griffeth, Hom, and Gaertner (2000) and Meyer et al. (2002) confirm that affective commitment is well established as an important antecedent of withdrawal behaviors; a finding which has also been validated with populations of information technology professionals (Igbaria & Greenhaus, 1992; Igbaria & Guimaraes, 1999). Scholars have also found a negative relationship between continuance commitment and turnover intentions (Jaros, Jermier, Koehler & Sincich, 1993; Chen et al., 1998). This finding indicates that employees that display a high level of continuance commitment remain in their organization either because they must or because they simply cannot do otherwise. Aryee et al.’s (1991) study showed a negative relationship between organizational commitment and turnover intention. Similarly, Wong et al. (1996) found organizational commitment a strong predictor of turnover. Several other scholars (Arnold & Feldman, 1982; Ben-Bakr et al., 1994; Kim et al, 1996; Tett & Meyer, 1993) have also found
organizational commitment an important predictor of turnover. In light of these arguments, the researcher posits the following hypotheses:

**Hypothesis 4: Turnover intentions correlate**

- negatively with affective commitment
- negatively with continuance commitment
- negatively with normative commitment
- negatively with organizational commitment

2.10 ORGANIZATIONAL COMMITMENT AND OVERALL JOB SATISFACTION

Even though some studies have empirically discourages the construct of job satisfaction along with the organization commitment, the researcher in this study included job satisfaction along with organizational commitment as there lack of adequate studies in ICT sector. Some authors have argued that organizational commitment represents a more stable construct than job satisfaction (Mowday et al., 1982). Recent studies conducted by Gould-Williams (2003) and Shappe (1998) show that while organizational commitment and job satisfaction are both considered antecedents of behavioral outcomes, only
organizational commitment has a significant influence on the dependent variables. High levels of organizational commitment can lead to favorable outcomes, such as improved job satisfaction and reduced employee turnover (Nouri & Parker 1998; Ferris & Aranya 1983; Ferris 1981; Aranya et al. 1982).

In a meta-analysis of OC studies, Mathieu and Zajac (1990) noted that the relationship between affective OC and job satisfaction is one of the most thoroughly investigated topics in OC research. Like the majority of these studies, their meta-analysis yielded a significant correlation between the two constructs. However, the direction of the relation is unclear. Williams and Hazer (1986) indicated a reciprocal relationship probably exists between the two constructs, but was not able to test this assertion. Mathieu (1991) argued that his results did not support a unidirectional relationship, and the relation was likely to be reciprocal. A number of studies have considered OC to be an antecedent of job satisfaction (Aranya et al., 1982), while others have considered job satisfaction to be an antecedent of commitment (Pasewark & Strawser, 1996; Meixner & Bline, 1989). Poznanski and Bline (1997) attempted to resolve this conflict by specifying two structural equation models – one with a path from commitment to satisfaction, the other
with this path reversed, but their testing could not distinguish between the two possibilities. The cross-sectional nature of most of the empirical research in this area does not assist in determining the direction of the relation. Thus, while the literature indicates an association between OC and job satisfaction exists, the direction of the association is unclear. The researcher included an overall job satisfaction construct integrated in the research model. Based on these facts the researcher posits that:

\textit{Hypothesis 5: Overall job satisfaction correlates:}

\begin{itemize}
  \item [a.] positively with affective commitment
  \item [b.] positively with continuance commitment
  \item [c.] positively with normative commitment
  \item [d.] positively with organizational commitment
\end{itemize}

\section*{2.11 TURNOVER INTENTIONS AND OVERALL JOB SATISFACTION}

The relationship between job satisfaction and turnover is one of the most thoroughly investigated topics in the turnover literature. Many studies report a consistent and negative relationship between job satisfaction and turnover (Cotton & Tuttle, 1986; Arnold & Feldman,
1982; Bluedorn, 1982; Mobley, 1982; Price, 1977), as dissatisfied employees are more likely to leave an organization than satisfied ones. Many literatures are supporting the negative relationship between job satisfaction and turnover (Lam et al., 1995; Koh & Goh, 1995; Aryee et al., 1991).

Although past research suggests a stable negative relationship between job satisfaction and turnover, job satisfaction alone has been found to account for small percentage of the total variance in a turnover model – less than 15% (Blau & Boal, 1989).

Overall job satisfaction is consistently and negatively associated with employee turnover (Harter, Schmidt, and Hayes 2002). Job dissatisfaction is antecedent to forming an intention to quit (Griffeth, Hom & Gaetner, 2000) and other withdrawal cognitions (Hom & Griffeth, 1991). In other words, people who enjoy their work, particularly its intrinsic features, are more likely to be retained by their employer.

The fact that the relationship (between job satisfaction and turnover) is not stronger does not suggest that satisfaction should not be measured. It does suggest that measures of satisfaction must be
combined with other measures to effectively predict and understand turnover (Mobley, 1982).

A scrutiny of past research on job satisfaction suggests that most of the studies have examined the effect of overall satisfaction on turnover with only a few investigating the relationship between turnover and the specific aspects of job satisfaction such as pay, supervision, and nature of work. Koh and Goh (1995) noted that the use of overall satisfaction conceals the vital effects of different job facets on turnover and this study investigates the effects of various types of job satisfaction on turnover intention. Based on the above facts the researcher posit that:

**Hypothesis 6: Overall job satisfaction correlates negatively with turnover intentions**

### 2.12 HR PRACTICES AND EMPLOYEE OUTCOMES RELATIONSHIP

Although several sets of innovative HR management practices have recently been proposed to enhance effectiveness in organizations and to retain talented employees (Arnett & Obert, 1995; Pfeffer & Veiga, 1999; Dessler, 1999), these configurations of practices are
narrowly focused and often lack theoretical grounding. Two complementary conceptual frameworks have received much attention in the academic press. First, the high-involvement model proposed by Lawler (1986), which is seen as the primary engine behind the evolution of contemporary strategic HR management (McMahan, Bell & Virick, 1998), suggests that four organizational processes may influence work-related attitudes and behaviors, namely empowerment, competence development, information sharing and reward. Second, the high-performance work system model proposed by Bailey (1993, in Appelbaum et al., 2000) posits that workers will exhibit discretionary efforts if and only if they have the opportunity to participate, they possess the necessary skills to make their effort meaningful and they are given appropriate incentives to deploy such discretionary efforts. Accordingly, a comprehensive HR strategy that aims to promote positive behaviors and attitudes among employees must consider three key conditions: 1) employees must have an incentive (e.g. recognition, rewards) to elicit desirable attitudes and behaviors; 2) employees must possess the necessary skills to make their efforts meaningful; and 3) employees must have the opportunity to participate at various levels. In line with Lawler’s and Bailey’s models, HR practices that enhance these
three components are likely to heighten the perception of organizational commitment, OCB, job satisfaction and decrease intentions of resigning among employees because individuals tend to respond positively to top-management commitment and support (Eisenberger, Fasalo & Davis-LaMastro, 1990).

One of the researches attempting to link systems of bundles of HR practices to organizational outcomes has led to inconsistent results (Wright & Snell, 1997). And, there is increasing evidence that it is not really how people behave (given particular firm practices) that drives competitiveness, rather it is what they know; their knowledge, skills and abilities (Quinn, 1992; Handy, 1990; Reich, 1991) further accentuating the need to hire and retain the best qualified and most effective employees.

The present study examines the following ten high-involvement HR practices that an organization may employ to increase commitment and satisfaction, induce extra-role behaviors and decrease turnover intentions among highly skilled professionals.

- **Resourcing and Integration practices**
  - Recruitment and selection, socialization

- **Communication and Participation Practices**
  - Communication, employee suggestion, participation in decision making process, information sharing
• Job Design
  - Autonomy, goal setting, flexible work arrangements, role clarity
• Training
• Career Development
  - Skills development, promotion and transfer, career counseling
• Performance Management
• Job Security
• Employability
• Compensation and Reward Systems
  - Compensation and benefits, lifestyle non-monetary benefits
• Teamwork

Organizations allow employees to assume several roles and responsibilities and thus exert a greater influence at work while enjoying increased autonomy in the hopes that they will experience a higher sense of ownership. This should foster a greater sense of support, trust and intrinsic motivation, provide positive work attitudes and consequently attenuate job turnover (Eby, Freeman, Rush & Lance, 1999).

Employee socialization in this study is termed as resourcing and integration practices. Socialization is the “process by which a person
learns the values, norms and required behaviors which permit him to participate as a member of the organization” (Van Maanen, 1976) and it can also be characterized as the “manner in which the experiences of people learning the ropes of a new organizational position, status, or role are structured for them by others within the organization” (Van Maanen, 1978).

Wiener (1982) proposed that normative commitment develops from socialization processes, when newcomer comes into an organization. These socialization experiences provide strong messages about the appropriateness of particular behaviors and attitudes. Through these processes individuals learn what is valued and what is expected of them by the employing organizations (Meyer & Allen, 1997). Falcione and Wilson (1988) attribute organizational commitment to be contingent on an effective socialization process. Hence the researcher posits that organizational commitment is positively related to resourcing and integration practices.

Training and career development practices convey to employees that the organization considers human resources to be a competitive advantage or value assets (Schwochau, Delaney, Jarley & Fiorito, 1997; Morrison, 1996), and that it is seeking to establish a long-term
relationship with the staff (Tsui, Pearce, Porter & Hite, 1995; Guptill, 1998; Agarwal & Ferratt, 1999). It would seem therefore that ICT organizations could influence employees attachment to the organization by providing the conditions for professional development (such as levels of pay, autonomy and skill acquisition) and these norms may promote high commitment to the work and identification with the organizational goals (Kunda, 1992) because of the perceived gains of staying with that organization.

Previous research shows that communication and information-sharing practices (in this research it is termed as communication and participation) favor the interiorization of organizational goals and values by employees, enhances feelings of mutual trust and makes individuals feel important to the company (Rodwell, Kienzle & Shadur, 1998; Meyer & Allen, 1997). According to Lawler (1986), information sharing is one of the easiest and most effective ways to foster employee involvement within organizations.

Performance appraisal is termed in this study as ‘performance management’ is among the most important HR practices (Boswell & Boudreau, 2002; Judge & Ferris, 1993; Fletcher, 2002). Performance management has increasingly become part of a more strategic approach
to integrating HR activities and business policies and may now be seen as a generic term covering a variety of activities through which organizations seek to assess employees and develop their competence, enhance performance and distribute rewards (Fletcher, 2001). Thus, both practice and research have moved away from a narrow focus on psychometric and evaluation issues to a developmental practice (Fletcher, 2001; Lefkowitz, 2000; Levy & Williams, 2004; Waal, 2003), which may be defined as any effort concerned with enriching attitudes, experiences, and skills that improves the effectiveness of employees (Boswell and Boudreau, 2002). Still, many organizations express dissatisfaction with their appraisal schemes (Fletcher, 1997). According to Fletcher (2001), this may signal a lack of successful mechanism for developing and motivating people.

Some studies report a positive relationship between performance appraisal satisfaction and overall job satisfaction (Blau, 1999; Ellickson, 2002; Pettijohn et al., 2001; Roberts & Reed, 1996). Organizational commitment is positively associated with the use of explicit evaluative criteria and openness to discussing the appraisal (Pettijohn et al., 2001).

Studies of job design have found this technique can significantly reduce turnover and improve job satisfaction (Steers & Porter, 1987).
Several researchers started the job design movement (Walker & Guest, 1952; Herzberg, 1966; Davis, 1957; Herzberg, Mausner & Snyderman, 1959). Job design has become a useful tool in developing ergonomic programs, resulting in increased motivation and fewer injuries (Mier, 1992).

For most highly skilled professionals, much of their motivation ensues from the recognition they get from managers for a job well done and the feeling that they are a pivotal part of the organization (Agarwal & Ferratt, 1999; Gomolski, 2000). In this study, recognition practices are referred as ‘life-style’ benefits (non-monetary rewards) (e.g. child care facilities, gymnasium, extended vacations, tickets to a baseball game, award ceremonies, thank-you notes) through which an organization tangibly signals its appreciation of quality work and achievements. These practices also included efforts made by the organization to carefully consider employee suggestions and provide employees with positive feedback. Organizational rewards refer to the perceived fairness of various job outcomes including compensation conditions, performance evaluations and job assignments. In short, a high level of perceived equity signals to employees that the organization
supports them and has their well-being at heart (Eisenberger, Huntington, Hutchison & Sowa, 1986).

Many studies have concluded that individual or bundles of HR practices play a positive role in the development of affective commitment (Gaerter & Nollen, 1989; Meyer & Smith, 2000; Gould-Williams, 2003). Although findings from several studies suggest that HR practices are related to employee commitment, some scholars have found that these relationships are not necessarily direct or unconditional. For instance, Meyer and Smith (2000) observed that the links between some HR practices and both affective and normative commitment were either fully or partially mediated by employees’ perceptions of organizational support.

While the positive link between HR practices and affective commitment has received extensive support, the role of HR practices in the reinforcement of continuance commitment and normative commitment has been less clearly established. Meyer and Allen (1997) and McElroy (2001), have suggested that HR practices positively influence continuance commitment. More recently, however, Meyer and Smith (2000) found no significant relationship between HR practices and continuance commitment. Despite the latter result, this study
predicts a positive link between HR practices and the three dimensions of commitment. Conway (2004) found that moderated relationships were evident regarding employee age and attitudes towards both job design and employability in the prediction of normative commitment. In light of the arguments presented above, the researcher posits that:

\textit{Hypothesis 7a: Resourcing and Integration, Communication, Job design, Training, Career Development, Performance management, Job security, Employability, Compensation and Reward, and Teamwork practices positively influence organizational commitment}

\textit{Hypothesis 7b: Resourcing and Integration, Communication, Job design, Training, Career Development, Performance management, Job security, Employability, Compensation and Reward, and Teamwork practices positively influences affective commitment}

\textit{Hypothesis 7c: Resourcing and Integration, Communication, Job design, Training, Career Development, Performance management, Job security, Employability, Compensation and Reward, and Teamwork practices positively influences continuance commitment}
Hypothesis 7d: Resourcing and Integration, Communication, Job design, Training, Career Development, Performance management, Job security, Employability, Compensation and Reward, and Teamwork practices positively influence normative commitment.

One of the major behavioral outcomes of HR practices is OCB, defined by its proponent Organ (1988) as, ‘individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization. By discretionary, we mean that the behavior is not an enforceable requirement of the role or job description, that is, the clearly specifiable terms of the person’s employment contract with the organization; the behavior is rather a matter of personal choice, such as its omission is not generally understood as punishable’. This study proposes that ICT professionals OCB would positively moderate HR practices and turnover intentions relationship.

Morrisson (1996) maintains that an organization’s approach to HR management is instrumental in eliciting considerable citizenship behaviors. The key argument being that the way an organization
manages its HR sets the tone and conditions of the employee-employer relationship.

If a firm’s philosophy implicitly states that employees are short-term resources that are easily disposable, economic rather than social exchange relationships are likely to develop (Witt, 1991). In contrast, high-involvement work practices may convey to employees that their organization promotes humanistic values cares about their well-being and is willing to trust them. On the basis of reciprocity norms, employees will be inclined to increase their personal contribution and efforts and ultimately exhibit OCB (Tsui, Pearce, Porter & Tripoli, 1997). Further, as professionals are involved mostly in a team structure which is a unique feature for ICT industries, there would be OCB of individuals associated and directed towards the team of which they are members. In a study of HR practices in Irish software firms, Finnegan and Murray (1999) found them either totally team-based or totally individual based, but concluded that it was desirable to devise practices which gave equal importance to both the individual and the team in which (s)he operated. Therefore, based on the above stated assumptions the researcher posits that:
Hypothesis 8: Resourcing and Integration, Communication, Job design, Training, Career Development, Performance management, Job security, Employability, Compensation and Reward, and Teamwork practices positively influences OCB.

HR practices and job satisfaction are linked because many researchers assume that better HR practices result in higher levels of job satisfaction and commitment, and, hence, an improved organizational performance (Appelbaum, Bailey, Berg & Kalleberg, 2000).


Some of the previous studies (Huselid, 1995; Shaw, Delery, Jenkins & Gupta, 1998; Vandenberg, Richardson & Eastman, 1999) have shown that high-involvement HR practices enhance employee retention. Support theory holds that beneficial actions directed at employees should obligate employees to reciprocate in a positive
manner. HR practices represent such organizational actions that may reinforce the employees’ beliefs that the organization values their contributions and cares about their well being, which in turn reduces turnover intentions among employees (Eisenbeger et al., 1990; Wayne et al., 1997). Given these empirical results, the researcher posits that:

**Hypothesis 10: Resourcing and Integration, Communication, Job design, Training, Career Development, Performance management, Job security, Employability, Compensation and Reward, and Teamwork practices negatively influence turnover intentions.**

This study, further investigates the moderating effect of employee outcomes on the links between HR practices and turnover intention. The researcher posits that

**Hypothesis 11: OCB positively moderates HR practices and turnover intentions relationship.**

**Hypothesis 12: Organizational commitment positively moderates HR practices and turnover intentions relationship.**
Hypothesis 13: Overall job satisfaction positively moderates HR practices and turnover intentions relationship.

The researcher is proposing to study effects of demographic factors on the employee outcomes and hence posits that:

Hypothesis 14: Geographical environment, age, tenure, experience, salary, academic qualification, gender, marital status

a. positively related to OCB
b. positively related to organizational commitment
c. positively related to overall job satisfaction
d. negatively related to turnover intentions

2.13 CONCLUSION

This chapter has covered a review of relevant literature regarding the constructs of the proposed model. The chapter began with reviews of the concept of OCB, organizational commitment and its three components: affective commitment, continuance commitment and normative commitment. Then, overall job satisfaction and turnover
intentions were discussed. All these factors were discussed as employee outcomes. Finally HR practices bundle is discussed in detail. The derived propositions of previous chapter are hypothesized along with review of literature.